

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015**

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SENATE BILL 682

Short Title: Modify Sunset Re: Contingent Audits. (Public)

Sponsors: Senators Gunn and Clark (Primary Sponsors).

Referred to: Commerce.

March 30, 2015

A BILL TO BE ENTITLED

AN ACT TO LIMIT USE OF CONTINGENT-BASED CONTRACTS FOR AUDIT OR ASSESSMENT PURPOSES.

The General Assembly of North Carolina enacts:

SECTION 1. Section 6 of S.L. 2012-152, as amended by Section 61.5(b) of S.L. 2012-194, reads as rewritten:

"SECTION 6. Sections 1, 3, and 3.1 of this act become effective October 1, 2012. The Treasurer shall not renew any contingency fee-based contracts for these services after October 1, 2012. The Treasurer shall not assign further audits on a contingency fee basis to an auditing firm under a contract that meets all the following conditions: (i) the contract would have been prohibited under this act had the contract been entered into after October 1, 2012, and (ii) the contract allows the assignment of audits on a discretionary basis by the Treasurer. Sections 2, 4, and 5 of this act become effective July 1, 2013, and expire July 1, 2015. ~~From 2013. After July 1, 2013, until July 1, 2015,~~ cities and counties shall not renew any contingency fee-based contracts for these services. ~~From After July 1, 2013, until July 1, 2015,~~ cities and counties shall not assign further audits on a contingency fee basis to an auditing firm under a contract that meets all the following conditions: (i) the contract would have been prohibited under this act had the contract been entered into after July 1, 2013, and (ii) the contract allows the assignment of audits on a discretionary basis. The remainder of the act is effective when the act becomes law."

SECTION 2. This act is effective when it becomes law.

